

INFORMATION PAPER

SUBJECT: Debt Collection Phone Call Scam

1. PURPOSE: To advise servicemembers and their families of an ongoing scam involving debt collections

2. BACKGROUND: In recent weeks, the Legal Assistance Office has seen a number of clients from various units on post regarding phone calls they have received claiming that the client owes the caller money. The phone calls share common characteristics:

- a) Call originates from an area code that does not match the caller's claimed location.
- b) Caller identifies themselves as an attorney, or "senior attorney," and that they are calling from some kind of financial institution, debt collection firm, or law enforcement agency.
- c) Caller has a thick accent and can barely be heard over background noise and chatter.
- d) Caller characterizes the matter as time sensitive or urgent. In a few instances, the caller sarcastically wished the client "good luck," as if the client faces serious trouble for non-compliance. The callers have refused to relinquish any information about the debt or fax any information to the client, however.
- e) Caller tells the client to contact an attorney, but often threatens that if the client does not immediately pay, "Federal agents" or "Marshalls" will apprehend the client with a few days and put them in jail. Caller also threatens to send agents to the place of work, and that if the client does not pay, they will most likely lose their job.
- f) When confronted by a Legal Assistance Attorney, the caller demands a bar association number, and threatened that by representing the client, the Attorney would be personally responsible to pay thousands of dollars, even if the original debt was only a few hundred dollars.
- g) The caller will either hang up or argue when confronted.

3. The above described situation is the hallmark a debt collector in serious violation of the federal Fair Debt Collection Practices Act (FDCPA) or a scam.

4. The FDCPA, along with similar state statutes, ban using misrepresentation or deceit to collect a debt. It further bans calling the client at work if the client has told the collector not to do so, threatening legal action or arrest (unless there is an actual chance of arrest or legal action), or

calling late at night or early in the morning. Violations of the FDCPA can result in significant fines.

5. Given the behavior of the alleged debt collectors above, the calls appear to be part of a scam. If client suspects that the call is a scam, they should contact the local Legal Assistance Office.

Andrew Gross
CPT, JA
703 805 4381